



Welcome to

The Tennessee Plan

For Tennessee Government Retirees



BlueCross BlueShield
of Tennessee

Your retirement brings you face to face with some important personal decisions. That is why the State of Tennessee and BlueCross BlueShield of Tennessee are working together to make one of those decisions much easier for you.

As a retiree, you may be eligible for The Tennessee Plan, designed especially for retired state employees, teachers and local government employees – as well as their spouses and dependents.

Important Coverage that Fills the Gap

If you have Medicare, you likely need The Tennessee Plan, because there are expenses that Medicare simply doesn't cover – expenses that can really add up. The extra protection of The Tennessee Plan helps fill most of the gaps that Medicare creates.

If eligible, you can enroll in The Tennessee Plan coverage, commonly known as Medigap coverage. The Tennessee Plan is a standard Medicare Supplement program designed specifically to fill in the gaps in Medicare Part A & B.

What Kind of Gaps?

Did you know that for 2006:

- Medicare requires you to pay a \$952 deductible out of your own pocket each time you are hospitalized?
- Then \$238 a day for the third month of a lengthy hospital stay?
- Plus a \$124 deductible each year for doctor bills and outpatient expenses?
- You pay 20% of the Medicare-approved charges for outpatient charges?
- You may be responsible for any amount over the Medicare-approved charges from providers who do not accept Medicare assignment?

It's easy to see how your out-of-pocket expenses – even with Medicare – can be difficult for you financially. And how The Tennessee Plan can help.

Medicare supplement insurance can be offered based on standard benefits of 10 approved plans. The State of Tennessee Medicare Supplement Program offers the standard plan D option for retirees and is known as The Tennessee Plan.

It's Easy to Apply

First, read this material carefully and study the chart that explains your Tennessee Plan benefits. Applying for coverage is easy. Just complete the enclosed application form and mail it to the Tennessee Consolidated Retirement System (TCRS).

It's Coverage from a Respected Name

The Tennessee Plan features Medicare supplemental coverage sponsored by the State of Tennessee and administered by BlueCross BlueShield of Tennessee. The Tennessee Plan offers you quality coverage at lower group premium rates. Since the monthly premium is not based on your age, it won't increase just because you get older. Premiums may go up due to increasing costs, which would happen with any plan. But best of all, if you have more than 15 years of service as a state employee or teacher, the State of Tennessee will pay part of your cost for your Tennessee Plan coverage.

And Less Paperwork – Because Providers File Claims

Filling out complicated claim forms is an unpleasant task for most people. But with The Tennessee Plan, you won't worry about paperwork, because we've removed that hassle from your coverage. Most claims are filed by doctors and hospitals and then sent directly to BlueCross BlueShield of Tennessee. As claims are paid, you'll receive a notice with all the details. It's a good system for everyone. Doctors and hospitals receive payments quickly and you avoid all that paperwork.

Medicare Gaps

Coverage From The Tennessee Plan (Standard Plan D)

Hospital Coinsurance

- \$238/day for 61-90 days in hospital Covered
- \$476/day for 60 lifetime reserve hospital days Covered

Part B Coinsurance

- 20% patient's share of approved medical expense Covered
- First 3 pints of blood Covered

Skilled Nursing Facility

- \$119.00/day 21st - 100th day Skilled Nursing Coinsurance Covered

Part A Hospital Deductible

- \$952/hospital admission Part A Deductible Covered

Part B Deductible

- \$124/calendar year for medical expenses Not Covered

Part B Excess Charges

- Medical expense over approved amount Not Covered

Foreign Travel Emergency

- Emergency care beginning during first 60 days of trip outside USA (After \$250 deductible, benefits limited to \$50,000/lifetime) Foreign Travel Emergency Covered At 80%

At Home Recovery

- Up to \$40/visit (Limited to 7 visits/week and \$1,600/calendar year) At Home Recovery Covered

Prescription Drugs

- Outpatient prescription drugs Not Covered

Preventive Care

- Annual physical exam & certain preventive tests up to \$120/year Not Covered

The Tennessee Plan

What Is Not Covered

This coverage does not provide benefits for:

- Services and supplies not covered by Medicare, except those specifically included under the plan, or
- Any expense that is paid by Medicare.

You Choose Your Doctors and Hospitals

This Plan gives you complete freedom in choosing doctors and hospitals. You are not locked into a specific network of providers in order to receive maximum benefits. For maximum financial protection, you should always choose a physician who accepts Medicare assignment.

Read Your Policy Carefully

When you are accepted for coverage, we will mail you The Tennessee Plan benefit handbook. Please take time to read this document carefully to understand all the rights and responsibilities of BlueCross BlueShield of Tennessee and the State of Tennessee, as well as your own rights and responsibilities. While The Tennessee Plan pays for many expenses not paid by Medicare, it may not fully cover all of your medical costs. As a buyer of Medicare supplement coverage, you are advised to review all policy limitations carefully. Neither BlueCross BlueShield of Tennessee nor its agents are connected with Medicare.

This benefit summary does not provide all the details of Medicare coverage. For more information about Medicare, contact your local Social Security office or consult the *Medicare Handbook* that office can provide.

Who is Eligible to Join?

Any retired State of Tennessee employee, teacher, local government employee or dependent who is eligible for Medicare Part A may apply for coverage. If you qualify and enroll within 60 days of the date of your initial eligibility, you cannot be turned down for this coverage because of your age or your health.

How Much Are The Premiums?

One of the main advantages of The Tennessee Plan is the lower group premium rates you pay for this coverage. If you are a retired state employee or school teacher with 15 years or more of service, the State will even pay part of your premium cost for you. The employee-supported rates do not apply to your dependents. Just check the following table to see what your monthly premium will be.

The Maximum You'll Pay

If You Select...	Per Individual
The Tennessee Plan (Standard Plan D)	\$ 105.00 per month

Check the table below to see the effect of the State contribution. If you are a local government retiree, you will not receive a State contribution toward your premium. Local governments have the option of paying a portion of their retirees' premiums but are not obligated to do so.

The Tennessee Plan

Monthly Premium

30+ Years of Service	\$65
20-29 Years	\$75
15-19 Years	\$85
Less Than 15 Years	\$105
Dependents (Spouse)	\$105
Local Ed Support Staff	\$105
Local Government	\$105

If you receive a State of Tennessee TCRS benefit check, your portion of the cost of this program will be automatically deducted from your monthly benefit payment. If you do not receive a TCRS benefit check, if your TCRS benefit is not sufficient to cover the cost of coverage, or if you already have an insurance deduction, you will be billed directly. Another direct billing option is automatic payment from your bank account. Call the telephone numbers listed below for the appropriate forms.

In any event, do not send any money with your Tennessee Plan application.

Please Check Your Application

Be sure to review your application before you mail it to be certain that all information has been properly recorded.

Any Questions?

If you have questions concerning your eligibility status or any premiums for this program, please contact the TCRS insurance section at 1-877-681-0155, Monday through Friday, 8 a.m. to 4:30 p.m. CT.

If you have questions concerning the benefits offered in The Tennessee Plan, call BlueCross BlueShield of Tennessee at 1-800-221-7828, Monday through Friday, 8 a.m. to 5 p.m. ET.



**BlueCross BlueShield
of Tennessee**

COMM-237 (11/2005)

© Registered marks of the BlueCross BlueShield Association, an Association of Independent BlueCross BlueShield Plans
BlueCross BlueShield of Tennessee, Inc., an Independent Licensee of the BlueCross BlueShield Association
This document has been classified as public information.